

**MINUTES OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION I
9:00 a.m., Friday, August 17, 2007
City of Avondale Council Chambers
11465 West Civic Center Drive
Avondale, AZ 85323**

The State Transportation Board met in official session for a Study Session at 9:00 a.m., Friday, August 17, 2007, with Chairman Joe Lane presiding. Other Board members present included: Bill Feldmeier, Delbert Householder, Felipe Zubia and Si Schorr. Bob Montoya and Bobbie Lundstrom were absent. Also present were Director Victor Mendez, Richard Travis, Doug Forstie, Barclay Dick, Gail Lewis, Don Mauller, Lynn Sugiyama, Ron Aschenbach, Doug Nintzel, Dan Lance, Matthew Burdick, Sam Maroufkhani, Tim Tait, LeRoy Brady, Bill Hayden and Barry Crockett. There were approximately 19 people in the audience.

OPENING REMARKS

Chairman Joe Lane welcomed the audience and led them in the Pledge of Allegiance.

Rest Areas

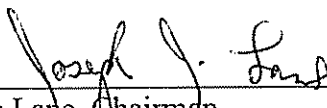
Mr. Sam Elters introduced the study session as an update on the privatization of rest areas. Revisiting and reviewing options, it was decided to start with Board policy for rest areas. The master plan was adopted by the Board in 2000 and reviewed and updated in 2002. Statutes were reviewed. Board policies were briefly mentioned. Data was presented such as nearly 40 million people visit 17 ADOT interstate rest areas each year. Approximately \$3.4 million per year is spent to maintain and operate for an estimated 8.5 cents per rest area user compared to 24 cents per rest area user in Washington State and 29 cents per rest area user in Wisconsin. Costs and number of users were shown for Mazatal, Texas Canyon and Burnt Wells rest areas. Arizona maps were shared indicating life cycle conditions, masterplan, closed and proposed for closures and non-interstate safety rest areas. As potential candidates are identified, priorities include the need to preserve the existing system including safety, public expectations, existing partnerships and environmental requirements. Considerations for non-interstate rest areas include statutory authority, history, land ownership, existing partnerships, competition with private sector and traffic/market. Existing interstate rest areas are not candidates for privatization. Future interstate rest areas are not candidates without a change in federal law. There are no candidates among existing areas. New ideas can be explored with future non-interstate rest areas including interstate off federal right-of-way or non-interstate, state or federal ownership by an agency with appropriate authority, location needed for safety purposes, market viability for private partner and ability to finance. Two possible rest areas are Vekol Wash on I-8 and Juniper Mountain on I-40.

David Dornbusch, consultant, discussed privatization in other states including obstacles encountered and the potential opportunities. Federal legislation allows for privatization of rest areas with a set of rules, guidelines and details of how to enter into a partnership. Vending facilities also are addressed in legislation. A significant obstacle is a consortium of the National Association of Truck Stop Operators, National Association of Convenience Stores and Society of Independent Gasoline Markets working together with concern for competition. Local opposition also is present because of competition. California projects were discussed. Lessons learned were noted as a way to demonstrate there are a number of ways to accomplish privatization. A successful project in Iowa was described.

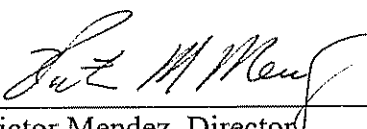
The Utah oasis program has five rest stops privately operated off I-15. Idaho has an agreement with a truck stop operator. Minnesota engaged a market firm to solicit contracts with entities for sponsorships, internet service and travel information. The state of Washington has a federal waiver from SAFETEA-LU and is trying to market alternate fuels at the rest areas. New Mexico passed legislation for a non-interstate controlled access highway. Maryland attempted legislation to allow commercial enterprise in federal and state areas anticipating SAFETEA-LU would allow, and it did not. Indiana and Virginia tried federal legislation. In reply to a question about approaching contractors, Mr. Dornbusch stated that it's within the state's power, allowing the private sector to advertise and negotiate the contract. Reasons to support projects include, the state approved designated signing and expectations of increased patrol. Truck stops could be suitable as long as there is access for vehicles. Local commercial interest is generally negative; that can be mitigated by proactive communication. Support is there; highway users expect to have service. Board members asked about next steps. Mr. Mendez said that a clear recommendation as to what we are asking be the next step. Mr. Elters stated that two areas as potential candidates are Vekol Wash and Juniper Mountain. Next steps would be to consider criteria to develop a proposal to advance, engage outside assessment for marketability and financial viability, determine legislative changes needed and report findings to the Board. Legislative changes would be significant as currently state agencies are not to compete with private entities. A future agenda item was recommended. Mr. Schorr would like to entertain all of the options.

ADJOURN

The first study session was adjourned at 10:00 a.m.



Joe Lane, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
10:00 a.m., Friday, August 17, 2007
City of Avondale Council Chambers
11465 West Civic Center Drive
Avondale, AZ 85323**

The State Transportation Board met in official session for a Board Meeting at 10:00 a.m., Friday, August 17, 2007, with Chairman Joe Lane presiding. Other Board members present included: Bill Feldmeier, Delbert Householder, Felipe Zubia and Si Schorr. Bob Montoya and Bobbie Lundstrom were absent. Also present were Director Victor Mendez, Richard Travis, Doug Forstie, Barclay Dick, Gail Lewis, Don Mauller, Lynn Sugiyama, Ron Aschenbach, Doug Nintzel, Dan Lance, Matthew Burdick, Sam Maroufkhani, Tim Tait, LeRoy Brady, Bill Hayden and Barry Crockett. There were approximately 30 people in the audience.

OPENING REMARKS

Chairman Joe Lane welcomed the audience. Avondale Mayor Marie Lopez Rogers thanked the Board for holding their meeting in the west valley. She stated that the I-10 corridor is a major corridor of the region from California to Florida. There is concern about the safety and economic effects. The Legislature allocated \$10 million to fix and widen I-10. Similarly, we need a legislative solution to fix the federal highway problem. MAG is trying to penalize us by reducing the amount of money to be received. This jeopardizes the project and shifts the costs to residents. Mayor Lopez Rogers asked the Board for full funding and to focus on the legislative intent.

DISTRICT ENGINEER'S REPORT

Tim Wolfe, District Engineer, stated that the Phoenix district is divided into two districts, the Phoenix Construction District and the Phoenix Maintenance District. Challenges faced and projects in the Maintenance District were discussed. Areas of responsibility are roadway, drainage, landscape and electrical operations and traffic engineering. There are 580 center line miles of roadway to maintain. One percent of center line miles do not meet the index for pavement requirements. There are 852 bridges to be maintained in Phoenix. Four percent are steel, 96 percent are concrete. Approximately \$2.4 million per year is spent on the cable barrier system. Maintenance of drainage and channels is a challenge. Incident management is a joint effort with the Department of Public Safety, the Maricopa County React Team and ADOT. The Regional Transportation Plan set aside money for landscape. Trimming of trees improved safety as well as the cleaning of litter and debris. More resources are being spent on graffiti removal. Each month 13,000 bags of trash are picked up. Complaints have been reduced; the program has been a huge success. Electrical operations include 170 traffic signals and 12,000 street lights. The Freeway Management System includes cameras, message boards and detector stations. Video detection systems are being used in the traffic intersections. Copper theft is an issue. The Television Transportation System continues to be installed. The tunnel on I-10 is almost 20 years old; maintenance and replacements continue. Signing and re-striping is handled in the traffic engineering department. In reply to a question, ADOT funds the freeway service control each year which is administered by DPS. Mr. Mendez mentioned that due to resources, the landscape of our freeways was criticized. Now, due to funds from Prop 400, a special fund was created to provide for quality of life issues.

CALL TO AUDIENCE

Eric Anderson, Transportation Director for Maricopa Association of Governments spoke on behalf of the Arizona COG/MPO Association and thanked the Board for funding additional transportation studies. Thanks to Director Mendez and Mr. Buskirk for providing financial support to the Hassayampa and Hidden Valley Framework Studies. We are entering a new age of transportation financing in the state, a new way of using resources at the regional and local levels. We can put together a good integrated plan in the state. We have to understand relationships between the state highway system, the regional systems and local highway systems. We have to make a big commitment in the state and give citizens options for getting around.

Kevin Adam, Rural Transportation Liaison, Rural Transportation Advocacy Council, an association that involves the local and regional governments outside of Maricopa and Pima counties. He expressed appreciation of the state and the involvement in providing funding and staff for the studies that are ongoing. He addressed Item 5A on the agenda, the discussion regarding the statewide transportation study and the appointment of a sub-committee. There has been strong cooperation of the state, ADOT and the COGs and MPOs. We need to make sure the cooperation and partnership continue.

Rob LaFontaine, Analyst, City of Bullhead City, said transportation is important in the City. He addressed the pavement quality along SR 95. He thanked the Department of Transportation for addressing the intersection of SR 95 and Marine Boulevard; that is scheduled for repair and completion in two weeks. He thanked ADOT for pavement quality plans in the future. Two additional intersections in need of attention are the Laughlin Bridge intersection and Hancock Road and SR 95. A second bridge crossing over the Colorado River needs attention.

Hector Ruedas, Chairman, Greenlee County Board of Supervisor, also representing Phelps Dodge, asked for consideration of the recommendation of US 191 Guthrie Bridge Project, Item 32 on the agenda. The project began more than ten years ago and needs to be completed and brought up-to-date with safety standards.

CONSENT AGENDA

Mr. Schorr recused himself from Items 28, 30, 31, 32, 34, 36, 37 and 38.

Director's Report

Victor Mendez, Director introduced the Deputy Director, Richard Travis to provide an up-to-date report regarding current issues and events affecting ADOT. A meeting on Route 179 was held; a phase of that construction is underway. Work continues with the community regarding a project along the road in Talaquepaque. There is a focus on the state of bridges in Arizona.

Financial Report

John McGee provided summary reports on revenue collections for Highway User Revenues and Maricopa Transportation Excise Tax Revenues, comparing fiscal year results to last year's actuals and forecasts, and reported on interest earnings, HELP Fund status, and other financial information relative to the Board and Department. July 2008 HURF collections totaled \$107.2 million, a decrease of 3.4 percent from July 2006 and 6.5 percent below the forecast. Many of the categories can see month-to-month variations depending on the timing based on registration and fuel collections. FY 2007 RARF collections totaled \$392.5 million, an increase of 6.7 percent over last year, but 1.2

percent below the estimate. June RARF revenues amounted to \$32.5 million, an increase of 1.0 percent over June 2006, but 5.0 percent under the estimate. The one percent growth rate in June, coupled with the 2.3 percent growth rate in May has given cause for concern. Retail Sales have fallen significantly over the last several months due to the slowdown in the housing market and higher fuel prices. The Investment Report during the month of July 2007 indicates earnings of \$5 million on investments for an average of 4.89 percent yield. The HELP fund July balance is \$136.278 million, an increase of \$6.2 million over the prior month as a result of \$5.5 million of loan repayments and \$700,000 in interest income. On August 8, a payment of \$50 million was paid to the State Treasurer and another \$50 million on August 14. Interest on both also was paid. The HURF and RARF forecasts for 2008 were outlined. The HURF forecast has been set at \$1.4 billion, down about \$18 million from the forecast set earlier due to rebenchmarking of the forecast recognizing lower than expected results for FY 2007. The same growth rate for 2008 is expected at 4.2 percent. The \$18 million decrease gets reflected across all HURF recipients. The amounts were noted in the handout. The RARF forecast was adjusted from \$418.7 million down to \$408.7 million as a result of a rebenchmarking because of FY 2007 results and lowered expected growth in Retail Sales and Contracting.

Financing Program

John McGee provided an update on financing issues affecting the Board and the Department, including HURF and RARF Bonding, GAN issuances and Board Funding Obligations. As previously reported, interest rates did not make economic sense for the potential HURF refunding. During the last month, the interest rate environment for municipal bonds has been up and down, generally trading with a narrow range. Work continues on the upcoming Board's RARF Issue.

ADOT Air Quality Resolution for Implementation of the MAG PM-10 5% plan

Beverly Chenausky, Air Quality Planner, provided an overview of the Resolution. The Clean Air Act lists six criteria pollutants in which standards must be met. When an area violates a health-based standard, the Clean Air Act requires areas to be designated as non-attainment for that pollutant. A State Implementation Plan must be developed describing how that region is going to attain the air quality standard by a required attainment date. The Phoenix area has State Implementation Plans in place for ozone, carbon monoxide and particulate matter PM10. On March 23, 2007, the EPA announced that Phoenix did not meet the attainment date of December 31, 2006, and require a new air quality plan due December 31, 2007, showing a 5% emission reduction per year until the region attains the standard. State Statute describes the requirement to make it viable to be included. For the MAG Region, the Council suggested five measures including, 1) MAG #1 – Public education and outreach with assistance from local governments, 2) MAG #29 – Sweep state highways with PM10 certified street sweepers, 3) MAG #35 – Pave or stabilize unpaved shoulders on state highways, 4) 07-DC-1 – Repave or overlay paved roads with rubberized asphalt and 5) 07-TC-1 – Coordinate public transit services with Pinal County. The City of Maricopa service should be in place by the end of 2008 and ADOT Rural Transit Needs Study will be completed with future recommendations by the end of 2007.

Being mindful of providing the Board with information prior to meeting to make a decision, it was the intent to present this item on the Study Session agenda for discussion and not approval. However, MAG is operating under a tight deadline to get the formal commitments so they can finalize the production plan. This item was on the agenda for discussion only. A potential resolution was presented. Staff recommends the Board in a special session address and approve the Resolution as outlined on page 19 in the Board book. The Board will hold a telephonic board meeting to further discuss this item.

Update on the statewide transportation studies to be conducted by ADOT, and potential subcommittee appointment by the board

Felipe Zubia stated that the Board approved the reallocation of funds, up to \$6 million (motion approved for \$7 million during the Transportation Board Meeting held in Payson July 20, 2007) to cover the statewide transportation plan. It is understood that the Board wants to be involved earlier in the process in providing direction. This Item is to discuss the possibility of establishing a subcommittee of the Board to oversee the development and implementation of the plan.

There was a motion and a second to go into executive session to further discuss this item with an attorney.

Following executive session, Felipe Zubia made a motion that the Board establish a subcommittee of the Board for the purpose of overseeing the development of the statewide transportation plan, providing direction and input on the plan and providing regular updates to the Board on the status of the plan. The subcommittee shall be made up of three transportation board members to include two rural members and one urban member, the department director of planning and other department members as the director sees fit and other members as appropriate.

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Householder and passed unanimously.

* **MINUTES – APPROVAL**
Board Meeting Minutes – July 20, 2007

* **2007 BOARD MEETING & PUBLIC HEARING DATES AND LOCATIONS**
STUDY SESSIONS TO BE SCHEDULED AS NEEDED

September 21, 2007 – Board Meeting – Sedona - 9:00 a.m.
October 19, 2007 – Board Meeting – Globe – 9:00 a.m.
November 16, 2007 – Board Meeting – Lake Havasu City – 9:00 a.m.
December 21, 2007 – Board Meeting – Tucson – 9:00 a.m.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

FY 2008 – 2012 Transportation Facilities Construction
Program - Requested Modifications

ROUTE NO:	I-10 @ MP 302.8
COUNTY:	Cochise
SCHEDULE:	FY 2009
SECTION:	SR 90 - Ocotillo TI
TYPE OF WORK:	Reconstruction of SR 90 TI and construct passing lane
PROGRAM AMOUNT:	\$ 21,000,000
PROJECT MANAGER:	Evelyn Ma
PROJECT:	H650401C Item # 10106
REQUESTED ACTION:	Change the name of project to SR 90 TI. Increase the construction project by \$1,476,000 to \$22,476,000 in the FY 2009 Highway Construction Program. Funds are available from the FY 2008 Federal Section 117 Fund.
PROGRAM AMOUNT:	\$21,000,000
NEW PROGRAM AMOUNT:	\$22,476,000

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Householder and passed unanimously.

ROUTE NO:	I-10 @ MP 301.1
COUNTY:	Cochise
SCHEDULE:	New Project Request
SECTION:	SR 90 TI
TYPE OF WORK:	Right of Way acquisition
PROGRAM AMOUNT:	New Project
PROJECT MANAGER:	Evelyn Ma
PROJECT:	H650401R
REQUESTED ACTION:	Establish a new right of way project in the FY 2008 Highway Construction Program. Funds are available from FY 2008 District Minor Fund.
NEW PROGRAM AMOUNT:	\$768,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Schorr and passed unanimously.

COUNTY:	Yuma	
SCHEDULE:	FY 2008	
SECTION:	San Luis II Port of Entry	
TYPE OF WORK:	Construct port of entry	
PROGRAM AMOUNT:	\$ 5,000,000	
PROJECT MANAGER:	David Mellgren	
PROJECT:	H686201C Item # 16408	
REQUESTED ACTION:	To transfer and increase the funding in the port of entry project in the FY 2008 Highway Construction Program. See funding sources below.	
PROGRAM AMOUNT:		\$5,000,000
DECREASE AMOUNT:		
	Transfer to FY 2008 Statewide Contingency Fund	\$-360,000
INCREASE AMOUNT:		
	FY 2008 Safety Enforcement and Transportation Infrastructure Fund (SETIF)	\$2,000,000
NEW PROGRAM AMOUNT:		\$6,640,000

SUBPROGRAM:	Port of Entry - 74308	
SCHEDULE:	FY 2008	
TYPE OF WORK:	Operational support for port of entry / Capital purchases	
PROGRAM AMOUNT:	\$ 1,500,000	
PROJECT MANAGER:	David Mellgren	
REQUESTED ACTION:	Increase Port of Entry Subprogram #74308 by \$360,000 to \$1,860,000 in the FY 2008 Highway Construction Program. Funds are available from the FY 2008 Statewide Contingency Fund #72308.	
SUBPROGRAM AMOUNT:		\$1,500,000
NEW SUBPROGRAM AMOUNT:		\$1,860,000

COUNTY:	Yuma	
SCHEDULE:	FY 2008	
SECTION:	San Luis II Port of Entry	
TYPE OF WORK:	Construct port of entry	
PROGRAM AMOUNT:	\$ 1,650,000	
PROJECT MANAGER:	David Mellgren	
PROJECT:	H686201C Item # 15308	
REQUESTED ACTION:	Increase port construction project by \$290,000 to \$1,940,000 in the FY 2008 Highway Construction Program. Funds are available from San Luis II Port of Entry – Right of Way Acquisition, Item # 23106.	
PROGRAM AMOUNT:		\$1,650,000
NEW PROGRAM AMOUNT:		\$1,940,000

Board Action: A motion to approve Items 10, 11 and 12 was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

ROUTE NO: MAG Regional Freeway System
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: MAG Regional Communication Network
TYPE OF WORK: AZ Tech Connectivity
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Farzana Yasmin
PROJECT: H732601C
REQUESTED ACTION: Establish new communication network connectivity project in the FY 2008 Highway Construction Program. **See funding sources below.**

FY 2008 District Minor Fund	\$142,000
FY 2008 MAG CMAQ Fund	\$458,000
NEW PROGRAM AMOUNT:	\$600,000

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Schorr and passed unanimously.

ROUTE NO: I-10 @ MP 356.0
COUNTY: Cochise
SCHEDULE: New Project Request
SECTION: Luzena to Bowie WB
TYPE OF WORK: Pavement preservation
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Akram Friekh
PROJECT: H656601C
REQUESTED ACTION: Establish a new pavement preservation project in the FY 2008 Highway Construction Program. **See funding sources below.**

FY 2008 Highway Safety Program #72808	\$500,000
FY 2008 Bridge Inspection and Repair Fund #71408	\$104,000
FY 2008 Pavement Preservation Fund #72508	\$4,896,000
NEW PROGRAM AMOUNT:	\$5,500,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Schorr and passed unanimously.

ROUTE NO:	SR 277 @ MP 321.4
COUNTY:	Navajo
SCHEDULE:	New Project Request
SECTION:	Pulp Mill - Industrial Drive
TYPE OF WORK:	Pavement preservation
PROGRAM AMOUNT:	New Project
PROJECT MANAGER:	Aman Mathur
PROJECT:	H665701C
REQUESTED ACTION:	Establish a new pavement preservation project in the FY 2008 Highway Construction Program. Funds are available from the FY 2008 Pavement Preservation Fund #72508 \$4,350,000.
NEW PROGRAM AMOUNT:	\$4,350,000

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

FY 2008-2012 Airport Development Program – Requested Modifications

AIRPORT NAME:	Laughlin/Bullhead International
SPONSOR:	Mohave County Airport Authority
AIRPORT CATEGORY:	Commercial Service
SCHEDULE:	FY 2008 – 2012
PROJECT #:	E8F23
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	Matthew V. Smith
PROJECT DESCRIPTION:	Rehabilitate Terminal Building.
REQUESTED ACTION:	Recommend STB approval.
FUNDING SOURCES:	
	FAA \$2,977,848
	Sponsor \$78,367
	State \$78,367
	<i>Total Program</i> \$3,134,582

AIRPORT NAME:	Page Municipal	
SPONSOR:	City of Page	
AIRPORT CATEGORY:	Commercial Service	
SCHEDULE:	FY 2008 – 2012	
PROJECT #:	E8F24	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Matthew V. Smith	
PROJECT DESCRIPTION:	Security Enhancement; Construct Service Road (East Side) approximately 4500' x 60', phase III; Construct heliport/helipad, Phase III.	
REQUESTED ACTION:	Recommend STB approval.	
FUNDING SOURCES:	FAA	\$1,000,000
	Sponsor	\$26,316
	State	\$26,317
	Total Program	\$1,052,633

Board Action: A motion to approve Items 16 and 17 was made by Mr. Schorr, seconded by Mr. Zubia and passed unanimously.

AIRPORT NAME:	Town of Springerville Municipal	
SPONSOR:	Town of Springerville	
AIRPORT CATEGORY:	Public GA	
SCHEDULE:	FY 2008 – 2012	
PROJECT #:	E8S41	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Kenneth Potts	
PROJECT DESCRIPTION:	Conduct Environmental Assessment for Land Acquisition.	
REQUESTED ACTION:	Recommend STB approval.	
FUNDING SOURCES:	FAA	\$0
	Sponsor	\$15,000
	State	\$135,000
	Total Program	\$150,000

AIRPORT NAME:	Benson Municipal	
SPONSOR:	City of Benson	
AIRPORT CATEGORY:	Public GA	
SCHEDULE:	FY 2008 – 2012	
PROJECT #:	E5S18	
PROGRAM AMOUNT:	Project Change Request	
PROJECT MANAGER:	Kenneth Potts	
PROJECT DESCRIPTION:	EA for Land Acquisition and Runway Extension.	
REQUESTED ACTION:	Recommend STB approval.	
PROGRAMMED AMOUNT:		\$100,000.00
FUNDING SOURCES:		\$0
	FAA	
	Sponsor	\$16,666.67
	State	\$60,000.00
	Total Program	\$166,666.67

Board Action: A motion to approve Items 18 and 19 was made by Mr. Householder, seconded by Mr. Feldmeier and passed unanimously.

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 - Minutes of PPAC Meeting on August 1, 2007
 - Summary of Approved Changes to the FY 2008-2012 Highway Construction Program
 - Highway Program Monitoring Report

RIGHT OF WAY RESOLUTIONS

*	RES. NO:	2007-08-A-051
	PROJECT:	S-A89-A-800 / 089AYV326H614801R
	HIGHWAY:	PRESCOTT - FLAGSTAFF
	SECTION:	Coyote Springs – Forest Boundary
	ROUTE NO:	State Route 89A
	ENG. DIST:	Prescott
	COUNTY:	Yavapai
	RECOMMENDATION:	Establish additional right of way as a state route and state highway for a truck turnout to enhance safety for the traveling public

*	RES. NO:	2007-08-A-052
	PROJECT:	S-577-801 / 092CH328H459601R
	HIGHWAY:	SIERRA VISTA - BISBEE
	SECTION:	Carr Canyon Road – Hunter Canyon
	ROUTE NO:	State Route 92
	ENG DIST:	Safford
	COUNTY:	Cochise
	RECOMMENDATION:	Establish as a state highway for utility re-location to enhance safety of the traveling public

* RES. NO: 2007-08-A-053
 PROJECT: S-189-A-800 / 189SC000H528201R
 HIGHWAY: NOGALES PRIMARY CONNECTION
 SECTION: Nogales Port of Entry (F.S. # 2-52)
 ROUTE NO: State Route 189
 ENG DIST: Tucson
 COUNTY: Santa Cruz
 PARCEL: 12-0504-A
 RECOMMENDATION: Establish additional right of way as a state route and state highway for constructing an employee parking area

* RES. NO: 2007-08-A-054
 PROJECT: I-017-A-702 / 017MA215H516201R
 HIGHWAY: PHOENIX – CORDES JCT.
 SECTION: SR 101 – Carefree Highway
 ROUTE NO: Interstate Route 17
 ENG DIST: Phoenix
 COUNTY: Maricopa
 RECOMMENDATION: Establish as a state highway for widening improvements to enhance safety of the traveling public

* RES. NO: 2007-08-A-055
 PROJECT: I-040-B-801 / 040MO065H592404R
 HIGHWAY: KINGMAN – ASH FORK
 SECTION: Blake Ranch Road – Jct. U.S. 93
 ROUTE NO: U.S. Route 93
 ENG DIST: Kingman
 COUNTY: Mohave
 RECOMMENDATION: Establish as a state highway for widening improvements to enhance safety for the traveling public

* RES. NO: 2007-08-A-056
 PROJECT: N-900-A-800 / 195YU000H577401R
 HIGHWAY: YUMA AREA SERVICE HIGHWAY
 SECTION: Yuma Area Service Highway (County 12th St -Business 8)
 ROUTE NO: State Route 195
 ENG DIST: Yuma
 COUNTY: Yuma
 RECOMMENDATION: Establish as a state highway for widening improvements to enhance safety for the traveling public

STATE ENGINEER'S REPORT

Sam Elters reported on construction and projects completed in July, 2007. Currently, there are 76 projects under construction for a total value of \$1 billion. In the month of July, 11 projects were finalized for a value of \$27 million.

CONSTRUCTION CONTRACTS

Interstate Non-Federal Aid

* BIDS OPENED: July 27
 HIGHWAY: CASA GRANDE-TUCSON HIGHWAY (I-10)
 SECTION: Various Locations Milepost 200-208
 COUNTY: Pinal
 ROUTE NO.: I-10
 PROJECT: 010-D-NFA 010 PN 200 H728401C
 FUNDING: 100% State
 LOW BIDDER: Granite Construction Company
 AMOUNT: \$ 286,297.00
 STATE AMOUNT: \$ 332,000.00
 \$ UNDER: \$ 45,703.00
 % UNDER: 13.8%
 NO. BIDDERS: 5
 RECOMMENDATION: AWARD

Interstate Federal-Aid ("A" "B") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

* BIDS OPENED: July 13
 HIGHWAY: MESQUITE-LITTLEFIELD-NORTH HIGHWAY (I-15)
 SECTION: Virgin River Bridges, #2 to #7
 COUNTY: Mohave
 ROUTE NO.: I-15
 PROJECT: BR-015-A(200)A 015 MO 013 H693801C
 FUNDING: 94% Federal 6% State
 LOW BIDDER: Austin Bridge & Road, LP
 AMOUNT: \$ 3,869,036.40
 STATE AMOUNT: \$ 4,459,649.00
 \$ UNDER: \$ 590,612.60
 % UNDER: 13.2%
 NO. BIDDERS: 3
 RECOMMENDATION: AWARD

BIDS OPENED: July 20
HIGHWAY: PHOENIX-CORDES JUNCTION HIGHWAY (I-17)
SECTION: Sunset Point Rest Area
COUNTY: Yavapai
ROUTE NO.: I-17
PROJECT: IM-017-1(345)A 017 YV 251 H415301C
FUNDING: 94% Federal 6% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 5,214,450.00
STATE AMOUNT: \$ 4,286,529.00
\$ OVER: \$ 927,921.00
% OVER: 21.6%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Feldmeier and passed unanimously. Si Schorr recused himself from this Item.

Non-Interstate Federal-Aid ("A" "B") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED: July 20
HIGHWAY: WICKENBURG-KINGMAN HIGHWAY (US 93)
SECTION: Tompkins Canyon
COUNTY: Mohave
ROUTE NO.: US 93
PROJECT: NH-093-B(006)B 093 MO 119 H617601C
FUNDING: 94% Federal 6% State
LOW BIDDER: R.E. Monks Construction Company, LLC
AMOUNT: \$ 10,384,361.67
STATE AMOUNT: \$ 12,484,343.50
\$ UNDER: \$ 2,099,981.83
% UNDER: 16.8%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously. Mr. Schorr recused himself from this Item.

* BIDS OPENED: July 27
HIGHWAY: SAFFORD-SPRINGERVILLE HIGHWAY (US 191)
SECTION: Milepost 151 – Threeway
COUNTY: Greenlee
ROUTE NO.: US 191
PROJECT: AC-STP-BR-191-C(003)B 191 GE 151 H303004C
FUNDING: 88% Federal 12% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 27,709,118.56
STATE AMOUNT: \$ 26,733,600.00
\$ OVER: \$ 975,518.56
% OVER: 3.6%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

Non-Interstate Non-Federal Aid

* BIDS OPENED: July 27
HIGHWAY: WILLIAMS-GRAND CANYON-CAMERON
HIGHWAY: HIGHWAY (SR 64)
HIGHWAY: PRESCOTT-FLAGSTAFF HIGHWAY (SR 89A)
SECTION: SR 64, Junction I-40 to Bureau Camp
SECTION: SR 89A, Scenic Outlook to Fort Tuthill
COUNTY: Coconino
ROUTE NO.: SR 64, SR 89A
PROJECT: 064-A-NFA 064 CN 186 H678401C
PROJECT: 089-A-NFA 089A CN 390 H678301C
FUNDING: 100% State
LOW BIDDER: Beco Construction Co., Inc.
AMOUNT: \$ 773,815.00
STATE AMOUNT: \$ 754,850.00
\$ OVER: \$ 18,965.00
% OVER: 2.5%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

BIDS OPENED: July 13
HIGHWAY: GILA BEND-CASA GRANDE HIGHWAY (SR 84)
SECTION: SR 84 at Guinn Drive
COUNTY: Pinal
ROUTE NO.: SR 84
PROJECT: 084-A-NFA 084 PN 172 H679901C
FUNDING: 66% State 34% Pinal County
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: \$ 351,101.03
STATE AMOUNT: \$ 297,480.00
\$ OVER: \$ 53,621.03
% OVER: 18.0%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Zubia and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED: July 20
HIGHWAY: AGUA FRIA FREEWAY (SR 101L)
SECTION: Northern Avenue to 31st Avenue
COUNTY: Maricopa
ROUTE NO.: SR 101L
PROJECT: 101-A-NFA 101 MA 008 H711001C
FUNDING: 100% State
LOW BIDDER: Recon, Inc.
AMOUNT: \$ 694,916.60
STATE AMOUNT: \$ 991,388.00
\$ UNDER: \$ 296,471.40
% UNDER: 29.9%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Schorr and passed unanimously.

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BIDS OPENED: July 27
HIGHWAY: SHOW LOW-MCNARY-EAGAR HIGHWAY (SR 260)
SECTION: SR 260 at Yellow Jacket Drive
COUNTY: Navajo
ROUTE NO.: SR 260
PROJECT: S-260-C-501 260 NA 351 HX09601C
FUNDING: 92% State 8% Town of Pinetop-Lakeside
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: \$ 267,924.00
STATE AMOUNT: \$ 248,065.00
\$ OVER: \$ 19,859.00
% OVER: 8.0%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

BIDS OPENED: July 27
HIGHWAY: STATE PARK ROAD
SECTION: Fort Verde State Park
COUNTY: Yavapai
ROUTE NO.: SR 260
PROJECT: 260-A-NFA 260 YV 220 H658901C
FUNDING: 100% State
LOW BIDDER: Intermountain West Civil Constructors, Inc.
AMOUNT: \$ 604,659.00
STATE AMOUNT: \$ 485,985.80
\$ OVER: \$ 118,673.20
% OVER: 24.4%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Zubia and passed unanimously. Mr. Schorr recused himself from this Item.

* BIDS OPENED: July 27
HIGHWAY: MARICOPA ROAD (SR 347)
SECTION: County Line to Queen Creek TI
SECTION: SR 347 at I-10
COUNTY: Maricopa
ROUTE NO: SR 347
PROJECT: 347-A-NFA 347 MA 184 H724501C
PROJECT: 347-A-NFA 347 MA 189 H698501C
FUNDING: 100% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 3,199,646.70
STATE AMOUNT: \$ 3,369,000.00
\$ UNDER: \$ 169,353.30
% UNDER: 5.0%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

Comments and Suggestions

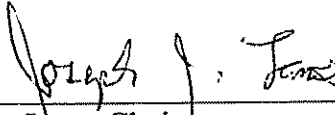
Board Members had the opportunity to suggest items they would like to have placed on future Board Meeting Agendas. A discussion on priority planning was suggested.

CONSENT AGENDA

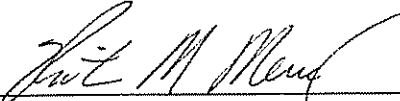
Board Action: A motion to approve the Consent Agenda was made by Mr. Zubia, seconded by Mr. Feldmeier and passed unanimously.

ADJOURN

Board Action: A motion to adjourn was made by Mr. Schorr, seconded by Mr. Householder and passed unanimously.



Joe Lane, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.

**MINUTES OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION II
12:10 p.m., Friday, August 17, 2007
City of Avondale Council Chambers
11465 West Civic Center Drive
Avondale, AZ 85323**

The State Transportation Board met in official session for Study Session II at 12:10 p.m., Friday, August 17, 2007, with Chairman Joe Lane presiding. Other Board members present included: Bill Feldmeier, Delbert Householder, Felipe Zubia and Si Schorr. Bob Montoya and Bobbie Lundstrom were absent. Also present were Director Victor Mendez, Richard Travis, Doug Forstie, Barclay Dick, Gail Lewis, Don Mauller, Lynn Sugiyama, Ron Aschenbach, Doug Nintzel, Dan Lance, Matthew Burdick, Sam Maroufkhani, Tim Tait, LeRoy Brady, Bill Hayden and Barry Crockett. There were approximately 10 people in the audience.

I-10 widening video presentation from SR 51 to Baseline Rd.

Bridge update

Sam Elters reported there are 4,700 bridges in Arizona. There are 44 bridges classified as structurally deficient and can include the need for surface repairs. This does not mean the bridge is not safe. There are 133 functionally obsolete bridges. Three bridges are steel deck truss bridges and include Hell Canyon Bridge on SR 89, Gila River Bridge at Guthrie SR 191 and Little Colorado River Bridge at Cameron SR 89. Hell Canyon Bridge is not in the program and is in the process of being inspected. Gila River Bridge had a contract awarded to replace the bridge and build connections to it. The Little Colorado River Bridge is in the program for replacement in 2012. Requests will be made in the future to increase the amount allocated. These bridges are not unsafe. ADOT bridges are inspected every two years. Bridge inspectors rate every component of a bridge using stringent standards developed by FHWA and AASHTO. Arizona's bridges have annually rated among the top in the nation. Assessment of ADOT bridges are under way to comply with the Governor's Order. A report will be developed on highly traveled bridges in Phoenix and Tucson areas and given to the Governor on September 7, 2007. A meeting with county and local engineers will be held this month to discuss bridge inspection programs. An incident occurred on Loop 202 Red Mountain freeway in Mesa on August 9 during a construction phase. Nine of 11 girders in one particular span fell off of the pier caps in this early phase of construction still on target to complete on time. There were no injuries. ADOT initiated an independent investigation to determine the cause.

I-10 bypass study update

Dale Buskirk presented a schedule that details the activities to be conducted in the study and the anticipated time frames. The study is scheduled to be completed in December. Other studies have been reviewed. Alternative corridors have been preliminarily identified. Two rounds of stakeholder interviews have been completed. Public meetings have been held. Demand forecasting has begun. It's anticipated to make a presentation to the Board in a study session in September or October. After the presentation and with the concurrence of the Board, it is hoped to share the preliminary findings with the regional planning partners. A second round of public meetings will then be held. At the May public meetings, comments were solicited for potential corridors, potential problems and suggestions for others. One activity was to refine the number of potential corridors to focus technical analysis on

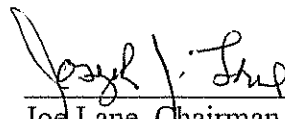
those with greatest chance of feasibility. Criteria included preserved lands, protected lands, land ownership, threatened and endangered species and urban development, entitled lands and parks. To ascertain the need for the facility, a traffic forecast was done. Drafts of three working papers were presented to the Technical Advisory Committee and are in the process of being further reviewed. Working Paper Number One is the introduction and includes the origin of the study, the process, previous and ongoing studies, growth scenarios and purpose and need. Working Paper Number Two includes existing and future conditions and Working Paper Number Three includes potential new corridors. The draft papers should be finalized within the next month for final review by the Technical Advisory Committee.

I-17 alternative study update

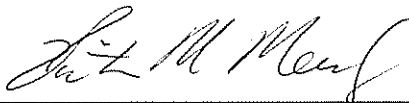
Dale Buskirk reported that this study is to determine if there is a need for an alternative corridor for I-17 and if so, are there feasible alternatives. The project schedule was shared and includes a notice to proceed in April 2007 with study duration of approximately one year. The study is on schedule. A number of candidate corridors were identified and were presented to the public and stakeholders. The process began for refining the corridor alternatives to be analyzed in greater depth. The first round of public meetings were held in late May and June. Generally the public was supportive and provided input on candidate corridors. A meeting is scheduled to discuss this effort along with the two DCRs. Currently, the purpose is to evaluate the feasibility of providing alternate routes to I-17 that would meet future corridor travel demand requirements, enhance operational and safety conditions, and improve overall reliability of the corridor. A number of needs were identified and include travel demand, capacity, mountainous terrain and high truck volumes, accident potentials, delays associated with congestion, crashes, no practical alternates and additional consequences due to travel delays. Some of the primary considerations include provide connectivity to the MAG Regional Freeway System, avoid or minimize severe terrain features, avoid environmentally sensitive features, minimize private land impacts, provide for frequent interconnection to existing I-17, provide service to growth areas accessing I-17 and enhance state highway system continuity.

ADJOURN

The second study session was adjourned at 12:50 p.m.



Joe Lane, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation

**MINUTES OF THE
STATE TRANSPORTATION BOARD
TELEPHONIC BOARD MEETING
2:00 p.m., Tuesday, August 21, 2007
Arizona Department of Transportation (ADOT)
Executive Conference Room 141
206 South 17th Avenue
Phoenix, AZ 85007**

The State Transportation Board met in official session for a Telephonic Board Meeting at 2:00 p.m., Tuesday, August 21, 2007, with Chairman Joe Lane presiding. Other Board members present included: Delbert Householder, Felipe Zubia, Bob Montoya, Bobbie Lundstrom and Si Schorr. Bill Feldmeier was absent. Also present were Director Victor Mendez, Richard Travis, Dale Buskirk and Ron Aschenbach.

ADOT Air Quality Resolution for Implementation of the MAG PM-10 5% Plan

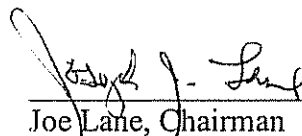
Dale Buskirk reminded board members that a presentation was made at the last board meeting and a copy of the resolution was given to each board member. The resolution commits the Arizona Department of Transportation to a number of new control measures and they are detailed in an attachment. Staff recommends approval of the resolution. If passed and approved, it will be submitted for MAG for inclusion in their 5% PM-10 reduction plan.

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Householder and passed unanimously.

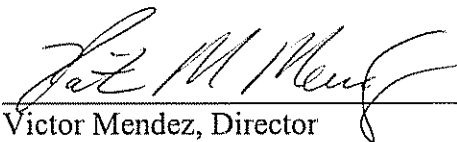
ADJOURN

Board Action: A motion to adjourn was made by Mr. Lane, seconded and passed unanimously.

The meeting adjourned at 2:05 p.m.



Joe Lane, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation